

Executive Summary

In order to address housing and human service issues that face the Indianapolis community, the City of Indianapolis receives federal grant funding from the United States Department of Housing and Urban Development (HUD). As part of the application process for these grants, the City must produce a *Consolidated Plan*, a five-year strategic overview of the community's current needs and specific actions for addressing them.

At the close of each program year, the City completes a *Consolidated Annual Performance and Evaluation Report* (CAPER) designed to summarize those activities undertaken by the City to meet the objectives set forth in the *Consolidated Plan*. In 2004, the City began work on the final year of its *2000-2004 Consolidated Plan*.

Four federal entitlement grants make up the bulk of funding that supports the activities detailed in this report: the Community Development Block Grant (CDBG) Program, the HOME Investments Partnership (HOME) Program, the Emergency Shelter Grant (ESG) Program and the Housing Opportunities for Persons with AIDS (HOPWA) Program. The Supportive Housing Program (SHP) is a competitive federal grant program that is also used by the City, particularly to combat homelessness. All together, the City received over \$17 million in HUD funding through these various grant programs for 2004.

Activities

The activities undertaken by the City with these federal dollars address the two main themes of the *Consolidated Plan*: Building Strong Neighborhoods and Family Self-sufficiency.

Building Strong Neighborhoods

The primary goals associated with this theme include preserving and increasing homeownership and the supply of rental housing for low-income residents, supporting development and neighborhood empowerment and eliminating unsafe buildings and areas. The City used CDBG and HOME dollars to acquire and rehabilitate housing and repair owner-occupied homes. The City greatly exceeded both its annual and five-year goals by funding over 377 owner-occupied repairs and providing 193 homeownership opportunities through acquisition and rehabilitation, new construction and homebuyer assistance. The City helped to increase the supply of low-income rental housing in 2004 by creating 30 units using CDBG and HOME funds. This was a shortfall on the annual goal by 80 units. In its efforts to improve, demolish and secure unsafe buildings, the City addressed 4,091 structures in 2004, far exceeding the annual goal of 3,500. The five-year goal in this area was also exceeded. Work began on key sites around the city designed to stimulate job creation and support inner-city economic development. In an effort to build the capacity of neighborhoods and empower its citizens, the City also provided funding to local Weed-N-Seed initiatives.

Family Self Sufficiency

The primary strategies used to achieve the goal of family self sufficiency included using CDBG funds to assist organizations in providing supportive services for youth and seniors as well as employment training and other related services. Operating assistance for homeless shelters and short-term rent and utility assistance to prevent homelessness were provided with ESG, HOPWA and SHP funds. HOME funding helped to rehabilitate multi-family housing and provide gap financing for low-income tax credit projects. In 2004, 17,620 units of service were provided to seniors, youth and individuals seeking employment training. The City supported special needs housing and services by providing more than 6,300 services to over 580 individuals with special needs, the homeless and people living with HIV/AIDS. Included in this was the City's new collaborative grant from the Department of Housing and Urban Development and the Department of Labor to provide housing and services to 42 formerly homeless individuals.

Geographic Distribution

The activities carried out by the City to build neighborhoods and strengthen families primarily targeted Indianapolis' most challenged neighborhoods:

The Home Ownership Zone/ Fall Creek Place

Both CDBG and HOME funds were combined to increase homeownership opportunities for low and moderate-income persons in 2004. In continuing the City's support of the Fall Creek Place project (FCP), CDBG funds assisted with various closeout activities such as project management contracts and homebuyer assistance. The project this year helped 83 new homeowners realize the "American Dream." Thirty-four of these were market rate homebuyers while 49 had household incomes below 80 percent of the area median family income. There are now 14 homes left to build in order for the project to meet its goal of 300.

Fostering Commercial Urban Strategies (FOCUS)

An innovative partnership between the Local Initiatives Support Corporation (LISC), the Indianapolis Chamber of Commerce, the Indianapolis Coalition for Neighborhood Development (ICND) and the City of Indianapolis, the FOCUS program is geared to jumpstart commercial revitalization in declining core urban neighborhoods. In 2004, the City invested \$100,000 in CDBG funds to improve the exterior façade of commercial buildings in these areas. This was the first year of this partnership, using local tax dollars with CDBG funds.

Vacant and Abandoned Homes

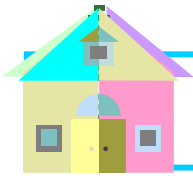
An abandoned home is defined by the Mayor's Vacant Home Initiative as "a chronically vacant home whose owner has not taken the necessary steps to bring the home on the market or a home whose owner has neglected minimum financial, functional and physical upkeep."

Weed-N-Seed

Weed-N-Seed sites, designated by the Department of Justice, are federally funded areas intended to enhance community partnerships in efforts to reduce crime, revitalize neighborhoods and offer safe havens for children. The metamorphosis of the former NEIs into Weed-N-Seed sites was a natural progression as these neighborhoods expanded their reach deeper into the needs of their communities. This program allows communities to have a streamlined approach to improving their neighborhoods and creating economic development. Much of the program's activity, ranging from community policing efforts to streetlight improvements, has taken place in the City's Enterprise Community. The eight umbrella associations involved in the program used CDBG funds to participate in community events, coordinate neighborhood interests and spark economic development.

Community Development Corporations

Local community development corporations (CDCs) carried out most of the activities designed to improve housing in 2004. These not-for-profit organizations are community based, with defined service or catchment areas. Several other housing organizations, including Community Action of Greater Indianapolis (CAGI) and CICOA: the Access Network, serve low and moderate-income residents countywide. Most of the human services provided, while based in Center Township, are also available to all Marion County residents.



Assessment of Goals

The *2000-2004 Consolidated Plan* includes nine goals that address the City's housing and community development needs. In addition to these five-year benchmarks, the City sets similar goals to be achieved each year in the *Annual Action Plan*. Table A at the end of this section summarizes these goals and strategies and illustrates the progress that has been made towards each.

Preserve Homeownership by Rehabilitating Owner-occupied Units

The City invested \$2.9 million of CDBG funds in homeownership preservation in 2004, exceeding its annual goal by 127 units. In five years, a total of 2,063 owner-occupied units have been repaired, also exceeding the five-year goal to preserve 2,020 homeownership units.

Increase homeownership

The City exceeded this five-year goal by acquiring and rehabilitating 144 units, building 381 new houses and providing direct homeownership assistance to 448 low-income homebuyers. Since 2000, a total of 973 new homeownership opportunities have been created. In 2004, the City achieved 95 percent of its annual goal, creating a total of 193 units.

Increase the supply of rental housing units affordable to families Earning 51- 80% of the Area Median Family Income

The City invested HOME funds to complete 113 affordable rental units in 2004. Of those units, 30 were designated for families earning between 51 and 80 percent of the area median family income. The City achieved 87 percent of the five-year goal to create 700 rental units affordable to this population group.

Eliminate unsafe buildings and sites

In 2004, 5,593 orders were issued by the Marion County Health and Hospital Corporation to board, demolish, or rehabilitate vacant and unsafe structures in Indianapolis. A total of 4,091 units were actually addressed with 2,617 units secured by boarding; 521 demolished and 953 repaired. The City exceeded the annual goal by 591 units and has achieved 115 percent of the five-year goal.

Support capital and enterprise development

Over the past five years, the City has invested CDBG and Section 108 Loan funds into the Keystone Enterprise Park development. This project consisted of property acquisition, relocation, infrastructure improvements and site preparation for a future industrial park located in the Martindale-Brightwood neighborhood. The City has

projected that this development will create approximately 900 new jobs once completed. At the close of 2004, four acres of land had been sold to area businesses, creating five new jobs. The City is currently working with other companies interested in moving to the area and anticipates selling an additional 20 acres in the coming year.

Also, the City's tax abatement program creates and tracks new jobs. In 2004, a total of 890 new jobs were created through the program. Of these, 19 jobs were located within the Indianapolis Neighborhood Revitalization Strategy Area.

Support neighborhood empowerment

In 2002, the City worked diligently to streamline the efforts of Neighborhood Coordinators and Weed-N-Seed sites. These neighborhoods are now working more efficiently to achieve goals, have begun to see results and have graduated from using CDBG funding. The City has achieved its goal by initiating this program with CDBG funds and having it continue through other funding sources.

In 2004, the City invested approximately \$50,000 to support neighborhood empowerment. This funding was awarded to the Indianapolis Neighborhood Resource Center (INRC) to provide training and capacity building to neighborhood organizations in Marion County. Approximately 1,700 people attended training sessions offered by INRC in 2004.

Aiding supportive service activities/Support special needs housing

The City has invested CDBG, HOME, ESG and HOPWA funds to provide supportive service activities and special needs housing over the last five years. In 2004, approximately 2,880 seniors received assistance with financial management, wellness and recreational activities. In 2004, 2,603 youth participated in various CDBG funded programs. Another 1,037 individuals received employment training and were placed in jobs and 5,540 individuals received referrals and case management assistance. The HOME funded Tenant-Based Rental Assistance Program provided assistance to 47 extremely low-income households, allowing these families to work towards overcoming other barriers to self-sufficiency. CDBG and ESG funds were used to support housing and provide essential services to 6,380 persons experiencing homelessness. Finally, HOPWA funds provided rent and utility assistance to 585 people.

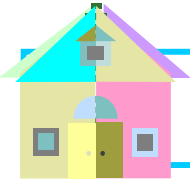
Increase the supply of rental housing units affordable to families earning less than 50% of the Area Median Family Income

In 2004, the City invested nearly \$1.7 million to complete 115 affordable rental units, 83 of which were developed for families earning less than 50 percent of the area median family income. To date, 35 percent of the five-year goal to create 1,558 rental units has been achieved. To address the gap in affordable units for this income bracket, the *2005-2009 Consolidated Plan* sets a goal of rehabilitating 325 units for households earning less than 30 percent of the median family income.

Table A

GOAL	STRATEGY	2004 GOAL	2004 ACTUAL	5 YEAR GOAL	% OF 5 YEAR GOAL MET
Preserve Homeownership	<ul style="list-style-type: none"> Rehabilitate owner-occupied homes 	250	377	2,020	102%
Increase Homeownership	<ul style="list-style-type: none"> Acquired and rehab units for sale Create new units for sale Provide direct homeownership assistance 	18 23 163	28 101 64	700	139%
Increase Supply of Rental Housing for 51-80% of MFI	<ul style="list-style-type: none"> Rehabilitate rental housing units Provide gap financing for low-income housing tax credit projects 	80	30	342	87%
Eliminate Unsafe Buildings and Sites	<ul style="list-style-type: none"> Improve, demolish, or secure unsafe buildings Test and abate lead-based paint 	3,500	4,091	15,020	115%
Support Capital and Enterprise Development	<ul style="list-style-type: none"> Support economic development initiatives 	75 jobs	890	610	329%
Support Neighborhood Empowerment	<ul style="list-style-type: none"> Provide capacity building assistance to neighborhood organizations in targeted areas 	Support local Weed-N-Seed	\$129,269	Assist targeted neighborhood groups to become self-sufficient	100%- All targeted groups are responsible for all operating costs/ salaries.
Aid Supportive Service Activities	<ul style="list-style-type: none"> Assist organizations providing senior, youth, employment and other supportive services 	5,500 people	*17,620 units of service	26,200	255%
Support Special Needs Housing	<ul style="list-style-type: none"> Provide operating and rehabilitation assistance for homeless facilities Provide short-term rent and utility assistance 	9,000 people 750 people	*6,386 units of service *585 people	9,095	618%
Increase Supply of Rental Housing for 0-50% of MFI	<ul style="list-style-type: none"> Rehabilitate rental housing units Provide gap financing for low-income housing tax credit projects 	No annual goal set	83	1,558	35%

*This number reflects duplicated people. A computer tracking system, Client Track, has been developed to track unduplicated people and number of services provided. This system has not yet been fully implemented.



Housing Issues

Public Housing Initiatives

The City and the Indianapolis Housing Agency (IHA) continue to work together to address affordable housing issues in Indianapolis, including the development of the Marion County Center for Housing Opportunities (MCCHO). Operated by IHA, MCCHO provides an array of housing services to public housing residents and other low-income individuals. In 2004, IHA received \$49,600 in CDBG funds to provide fair housing counseling, education and homebuyer assistance through the Section 8 homeownership program.

Additionally, nearly \$50,000 was allocated to IHA to provide drug and crime prevention programs for youth living in public housing communities. More than 1,100 youth participated in these programs. Almost 61 percent of these children were from families earning less than 30 percent of the area median family income and 95 percent were from female-headed households.

Finally, the City invested HOME funds into the Brokenburr development during 2004. This project was awarded a HOPE VI grant to create a combination of rental and homeownership opportunities. The project will be completed through multiple phases and will include the new construction of 165 mixed-income rental units and 52 single-family homes for low-income homebuyers.

Actions Taken to Affirmatively Further Fair Housing

The City of Indianapolis released the current Analysis of Impediments to Fair Housing Choice (AI) in July of 2004. This document defines fair housing, includes data analyses for Indianapolis, describes citizen input, identifies fair housing impediments and sets forth an action plan to mitigate those obstacles. Specifically, the AI identifies the following impediments to fair housing choice: racial concentration, affordable housing concentration, minorities' access to credit, discrimination and lack of awareness about fair housing/reporting violations. Each of these impediments is described briefly below.

▲ Racial Concentration

Minority and low-income populations are concentrated in Center Township of Marion County. According to census data, whites are the most evenly dispersed of any racial or ethnic group in Marion County, while African Americans and Hispanics are the least dispersed.

▲ Affordable Housing Concentration

Overall, Marion County has a good supply of affordable owner-occupied and rental housing. However, most of the housing affordable for the very lowest income groups in the county is concentrated in Center Township.

▲ Minorities' Access to Credit

Home mortgage lending data shows that applicants in areas with moderate and high percentages of minorities had lower loan acceptance and higher denial rates than those with few minorities, primarily in respect to home improvement lending.

▲ Discrimination

Housing and community development professionals who responded to a mail survey for this report estimated that 25 to 30 percent of the city's residents have experienced some form of discrimination. The most common reasons for discrimination include race, disability and familial status.

▲ Lack of Awareness about Fair Housing/ Reporting Violations

Housing and community development professionals who responded to a mail survey for this report estimated that 60 to 70 percent of Indianapolis residents are unaware of how to report fair housing violations.

While impediments to fair housing do exist, there is also positive news about the state of fair housing in Indianapolis:

- City and housing authority policies do not contribute to fair housing barriers. In fact, city land use policies are largely favorable toward fair housing issues.
- Marion County has a good supply and distribution of affordable housing, especially for households earning between 50 and 80 percent of the area median family income.
- Housing discrimination based on religious preferences and gender appears to be rare.
- The City of Indianapolis has participated in a variety of initiatives to promote fair housing choice.
- There are two organizations in Indianapolis that are dedicated to mitigating fair housing impediments. They are the Marion County Center for Housing Opportunities (MCCHO) and the Indiana Civil Rights Commission.

The Analysis of Impediments includes an action plan to mitigate identified impediments. The first actions are to be completed by December 31, 2005. The following chart summarizes the action plan component:

GOAL	STRATEGY	BENCHMARK
<p>Work towards desegregating the racial makeup of the county and deconcentrating affordable housing.</p>	<ul style="list-style-type: none"> • The City will actively participate in MCCHO activities. • All townships should have at least 15% of their total rental housing stock affordable to households earning 50% of the AMI or less. • Ensure that the next large, city-sponsored affordable owner-occupied development includes minority Realtors. 	<ul style="list-style-type: none"> • Ongoing 2005-2009 • To be achieved by 2009 • As projects are implemented
<p>Increase the awareness of fair housing and the complaint process.</p>	<ul style="list-style-type: none"> • Establish a central phone number to call where complainants can inquire about fair housing issues and how to file a complaint. • Implement a City marketing plan to educate the public about fair housing and how to file complaints. 	<ul style="list-style-type: none"> • To be achieved by 2007 • To be achieved by 2007
<p>Work with MIBOR to implement training programs to increase awareness of fair housing issues among real estate professionals.</p>	<ul style="list-style-type: none"> • Contribute articles to MIBOR publications on the basis of fair housing issues and the process of making fair housing complaints in Marion County. • Work with MIBOR to develop a flyer on fair housing issues that will be distributed by Realtors to their clients. 	<ul style="list-style-type: none"> • Semi-annually, beginning 2006 • Flyer developed in 2006
<p>Establish or support an existing homeownership counseling/education program.</p>	<ul style="list-style-type: none"> • Work with INHP to expand their current program or establish a new program as described in the AI. 	<ul style="list-style-type: none"> • New program offered in 2006
<p>Continue the regional transportation process.</p>	<ul style="list-style-type: none"> • Ensure that regional transportation planning continues to move forward. 	<ul style="list-style-type: none"> • 2005-2007

Actions Taken to Eliminate Barriers to Affordable Housing

The *2004 Action Plan* identified three barriers to affordable housing in Indianapolis: 1) high costs associated with the development of affordable housing 2) decreased availability of affordable housing units and 3) poor credit history. The City invested federal funds to address these issues in 2004.

More than \$2 million in HOME funds were invested by the City in 2004 to create 115 units of affordable rental housing for people at or below 80 percent of the area median family income (MFI). Of these, 83 units are affordable for persons earning less than 50 percent of the area MFI. Projects that received funding included Northampton Apartments, Indiana Residential Living, Near North Development Corporation and West Indianapolis Development Corporation's Fostering Youth development.

Another important undertaking, designed to increase the availability of affordable housing for the lowest income citizens of Indianapolis, is the *Blueprint to End Homelessness*. A ten-year strategy for how we can both prevent and end homelessness in our community, the *Blueprint's* recommendations draw upon the national research of effective programs and best practices but also reflect local concerns. Mayor Peterson has endorsed the *Blueprint* and made it one of his administration's top priorities. The plan has received broad community support and been lauded as a model by national experts. Its development marks a milestone in our community's efforts to address this serious and persistent social condition.

Part of the *Blueprint* initiative was the 2004 start of a five-year project in conjunction with the Indianapolis Private Industry Council (IPIC). As part of a collaborative effort to fight homelessness developed by the U.S. Department of Labor and the U.S. Department of Housing and Urban Development, Indianapolis is one of only five cities to receive funding through this program. The City has created 42 units of supportive housing for those most difficult to house, the dually diagnosed chronically homeless. It is expected that this pilot program can serve as a model for Indianapolis to expend its efforts in providing this type of housing with the help of mainstream landlords and rent assistance.

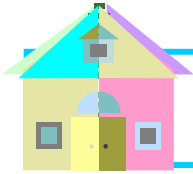
Access to credit remains a barrier to affordable housing for many families in Indianapolis. In 2004, the City awarded \$40,000 of CDBG funds to support the Family Service Association of Indiana (FSA) in their efforts to provide greatly needed credit counseling to low-income citizens plagued by poor credit history. The organization was able to provide credit counseling to 84 low-income persons.

As noted above, the goals of the current AI are to be achieved over a five-year period, 2005-2009. The following actions were taken in 2004 to address fair housing issues:

- The City of Indianapolis released its current Analysis of Impediments to Fair Housing (AI).
- The City staffed booths at the Indianapolis Housing Conference and the Indiana Black Expo to distribute information regarding fair housing and city-funded housing projects.

- The City awarded CDBG funds to the Indianapolis Housing Agency, to promote fair housing initiatives through the Marion County Center for Housing Opportunities (MCCHO).
- The City granted \$380,000 to the Indianapolis Neighborhood Housing Partnership (INHP) to provide down payment assistance and direct homebuyer subsidies to low/moderate-income families purchasing homes in Marion County.

The City of Indianapolis recognizes the importance of fair housing choice and will work diligently to implement the goals identified in the action plan of the Analysis of Impediments to Fair Housing.



Special Needs

Continuum of Care

The Continuum of Care plan is a coordinated approach towards addressing the physical, economic and social needs of the homeless population. Through the provisions of emergency shelter, transitional and permanent housing and supportive services, the plan warrants a thorough examination of the needs presented in this community and the services available to meet them.

The City was awarded \$3.4 million in Continuum of Care funding for 2004. These dollars were used to assist 16 projects that provided transitional and permanent housing, supportive services and program operations cost for homeless families and individuals in Marion County. Most of the individuals served through the Continuum are dually diagnosed and are otherwise unable to receive assistance.

Blueprint to End Homelessness

A new aspect in the City's efforts to implement the *Blueprint to End Homelessness* in 2004 was a collaborative grant between the U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of Labor (DOL) to address issues relating to homelessness.

The Shelter Plus Care funding received by the City in this program will be used to provide rent subsidies to formerly homeless individuals. The City's partner in this program, the Indianapolis Private Industry Council (IPIC), will provide needed employment services for participating residents using the DOL portion of the grant.

Housing for Persons with AIDS (HOPWA)

In 2004, the City received \$758,000 in Housing Opportunities for Persons with AIDS (HOPWA) funds to serve the housing and housing related needs of persons with HIV/AIDS and their families. As the primary project sponsor for this funding, the Damien Center coordinated services and activities for persons in Marion and surrounding counties. In an effort to broaden the effectiveness of HOPWA funds and better reach under-served populations, the City also continued to provide funding to the Ebenezer Church Foundation's "Bridging the Gap" program, the Concord Center and Salvation Army Harbor Lights. By diversifying the programs that receive HOPWA funds the City is able to reach out to an even larger population.

The Damien Center

The Damien Center provided emergency assistance, housing information, project-based rental assistance, resource identification, supportive services, technical assistance and tenant-based rental assistance to 546 HIV/AIDS clients and their families. During 2004, the center's Housing Assistance Program continued to vary to meet the ever-changing needs of their clients. The Damien Center reports that HIV/AIDS trends in the population they serve are following the national average of growth in persons under age 25 and over

age 55. Younger people seeking assistance are generally in need of housing options and resources, while older clients tend to need more self-help assistance. The organization has also seen an increase in the number of clients living outside of Marion County. While the City may not project sponsors outside of Marion County, the Damien Center does serve clients in outlying counties.

Other HOPWA Programs

The Ebenezer Church Foundation's "Bridging the Gap program" received \$187,500 of HOPWA funds in 2004. The program helped 100 HIV/AIDS clients and their families to either find housing or remain housed. Individuals also received case management services. While the "Bridging the Gap" program specifically targets the African/American population of Marion County, they will serve anyone with HIV/AIDS that comes to them for assistance.

Concord Community Center received \$100,000 in HOPWA funds and were able to assist 102 individuals with short-term rental assistance in 2004. This is the third year that Concord has received funding and they continue to play a valuable role in the City's mission to more effectively use HOPWA funds.

Salvation Army Harbor Lights also received HOPWA funding from the City, however they had experienced difficulties utilizing the grant. Due to tight budget constraints within the Salvation Army organization, Harbor Lights' Transitional Living Center (TLC) program was cut by the organization and funds were unable to be used as was originally thought. The City worked with Harbor Lights to ensure that at least some of the funding would be used.

Barriers

Individuals who are at-risk or HIV positive frequently face barriers to a healthy lifestyle. More prevalently, affordable, accessible and safe housing options are major impediments for families and individuals dealing with HIV/AIDS. Greater housing options have been offered as a result of the City's efforts to recruit more HOPWA project sponsors. Outreach programs also offer a continuum of related services that address these problems through community education and disease management.

- Daily living skills seminars, which emphasize stress management, proper health care, basic housekeeping, budgeting and employment are offered at The Damien Center.
- The "Bridging the Gap" program assists individuals by providing testing, HIV/AIDS information referrals, treatment and assessments for at-risk individuals.
- Tenant-based rental assistance was provided to 216 HIV/AIDS positive clients in 2004. Accordingly, many individuals have had the opportunity to successfully adapt to the changes of income and medical instability that is often experienced with a positive diagnosis.

Administrative Oversight

Developing collaborative partners and identifying additional housing options and support services is still a high priority with the City. Through its consolidated planning process, the City continues to use Request For Proposals (RFPs) to solicit organizations interested in funding to address the housing needs of HIV/AIDS persons and their families.

The Human Services team consists of the Grant Manager and Grant Analyst. Together they share in the responsibility of overseeing HOPWA programs and performing day to day management activities, such as discussing and evaluating projects, conducting monitoring visits, reviewing quarterly reports and providing technical assistance to project sponsors. All HOPWA programs are monitored annually to ensure that federal and city regulations are being followed. The Grant Analyst tracks and evaluates spending patterns to make certain that project sponsors are spending their money at an appropriate rate. A training is held each January to discuss the responsibilities of project sponsors in regards to grant funds, helping organizations better understand their contractual obligations.

Name of HOPWA Grantee: **City of Indianapolis**

Report covers period: **01/03/2004 to 12/31/2004**

Performance Chart 1— Actual Performance. Types of housing units dedicated to persons with HIV/AIDS which were supported during the operating year.

Type of Units	Number of units with HOPWA funds	Amount of HOPWA funds	Number of units with Grantee and other funds	Amount of Grantee and other funds	Deduction for units reported in more than one column	Total by type of unit
1. Rental Assistance	247	\$313,046	0	0	0	\$313,046
2. Short term or emergency housing payments	342	\$150,070	0	0	0	\$150,070
3-a. Units in facilities supported with operating costs	0	0	0	0	0	0
3-b Units in facilities that were developed with capital costs and opened and served clients.	0	0	0	0	0	0
3-c Units in facilities that were being developed with capital costs but not yet opened	0	0	0	0	0	0
Subtotal	589	\$463,116	0	0	0	\$463,116
Deduction for units counted in more than one category	0	0	0	0	0	0
Total	589	\$463,116	0	0	0	\$463,116

Name of HOPWA Grantee: **City of Indianapolis**
 Report covers period: **01/03/2004 to 12/31/2004**

Performance Chart 2—Comparison to planned actions, as approved in the Action Plan/Consolidated Plan for this operating year (Estimated Number of Units)

Type of Units	Estimated Number of Units by type in the approved Consolidated Plan/Action Plan for this operating year	Comment, on comparison with actual accomplishments (or attach)
1. Rental Assistance	247	215 of TBRA and 32 PBRA for \$313,046.
2. Short term or emergency housing payments	342	\$150,070 was expended for emergency housing for 3342 units.
3-a. Units in facilities supported with operating costs	0	
3-b Units in facilities that were developed with capital costs and opened and served clients.	0	0
3-c Units in facilities that were being developed with capital costs but not yet opened	0	0
Subtotal	589	589 units
Deduction for units counted in more than one category	0	0
Total	589	589 units

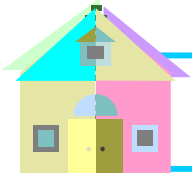
Emergency Shelter Grant (ESG)

The Emergency Shelter Grant (ESG) program supports the family self-sufficiency goal identified in the *Consolidated Plan*. The City received \$413,420 of ESG funds in 2004. Approximately five percent of this grant was utilized for administration. The remaining funds were distributed to shelters and service providers to assist in operations costs, homelessness prevention services and a myriad of essential services.

- Horizon House and the Salvation Army Social Service Center provided day services to the homeless in 2004. Both organizations restructured their programs to be more streamlined with their original missions. Horizon House concentrates primarily on homeless men, while the Salvation Army focuses on homeless women and children.
- The Quest for Excellence “WINGS” program and The Julian Center also provided services to homeless women and children escaping domestic violence situations. The Salvation Army also provided services to victims of domestic violence and their families.
- Homeless men recovering from severe illness after release from a hospital or institution received respite care from Gennsaret Free Clinic.
- Holy Family Shelter and Dayspring Shelter, the only organizations in Indianapolis that provide shelter to large families, and couples without children (Holy Family) received funding to provide services.
- The Children’s Bureau received funding to serve the needs of homeless children.
- Several shelters and missions received bus tickets to enable persons experiencing homeless to seek employment, housing and other resources they would otherwise be unable to access without transportation.

ESG Match Report

Agency	Total Served	Grant Award	Match Amount	Match Source
Children's Bureau	206	\$ 21,160	\$ 36,964.73	Private
Christamore House	1	\$ 1,784	\$ 11,000	FEMA
Community Alliance of the Far Eastside	5	\$ 1,784		
Concord Neighborhood Center	3	\$ 1,784		
Crooked Creek	13	\$ 1,784	\$ 23,546	FEMA, Clergy
Dayspring	498	\$ 50,000	\$ 739,930	Private, State ESG
Flanner House	1	\$ 1,784		
Forest Manor	12	\$ 1,784	\$ 41,050	FEMA, WAF
Gennesaret Free Clinic	18	\$ 43,450	\$ 133,853	State ESG, Private, In-Kind
Hawthorne Social Service Association	2	\$ 1,784	\$ 31,106	Private, Fees
Hispanic Center	6	\$ 1,784		
Catholic Social Services/ Holy Family Shelter	869	\$ 59,000	\$ 505,159.28	Private, State ESG, United Way, Center Township Trustee
Horizon House	2,121	\$ 58,450	\$ 906,214	State ESG, AmeriCorps, Private, SuperNOFA, United Way
Julian Center	1,099	\$ 7,717	\$ 670,089	State ESG, SuperNOFA, Private, United Way, Federal, Fees
Martin Luther King Multi-Service Center	10	\$ 1,784	\$ 42,854.83	Private, UWCI
Mary Rigg	14	\$ 1,784	\$ 25,870.86	WAF, FEMA
Metro Transit		\$ 34,000	\$ -	
Quest for Excellence	219	\$ 26,500	\$127,157	State ESG, In-Kind, Private
Salvation Army Social Service Center	1,212	\$ 43,600	\$173,221.24	State ESG, Federal, Other
Southeast Community Services	16	\$ 1,784	\$ 6,160	United Way, EAP
Planning and Administration	0	\$ 20,300	\$ -	
	6,325	\$ 383,801	\$ 3,474,175.94	



Institutional Structure and Coordination

During the fiscal year 2004, the City of Indianapolis wrote its *2005-2009 Consolidated Plan*. Traditionally, a consultant has assisted the Division of Community Development with writing the plan, but with help from other city divisions, including the Division of Planning, this Plan was developed in-house. A consolidation of all neighborhood, transportation, long range, comprehensive and redevelopment plans, the analysis to impediments to fair housing and Mayoral initiatives such as the *Blueprint to End Homelessness* and the Abandon Homes Project, this document can be used as the one source for City goals. With the many divisions of the Department of Metropolitan Development and the city as a whole working together, the new Consolidated Plan can serve as a unified vision for the future of Indianapolis.

Several different stakeholders and advocate groups provided input in the development of the Plan's goals. The City advised grant applicants and stakeholders of the movement to performance-based goals and outcomes in future funding considerations. While many project sponsors previously held performance-based contracts, particularly in 2004, many did not measure the impact of their project or program. Social service and other public service providers have traditionally measured the impact of their programs and were therefore easily able to transition into the 2005-funding year. Construction projects such as homeowner repair however, measured the schedule of their projects and were compensated for work completed in a timely manner. Consequently, these sponsors required more assistance.

The application for 2005 funding required that all recipients establish outcomes that measure the impact of their program on both their service area and a goal of the *2005-2009 Consolidated Plan*. A grant workshop was held by City staff to explain the need for performance-based outcomes and how to write them to match a given program/project. Evaluation criteria was based on a 100 point scale and the development of performance-based outcomes weighed 30 points out of the 100. Projects not meeting the requirements of the application were not recommended for funding in the 2005 year. Several one-on-one meetings were held with grant applicants to explain performance-based outcomes and how to develop them in an effort to better equip project sponsors and grant applicants for future funding rounds.

In addition to the performance-based outcomes and goals, the *2005-2009 Consolidated Plan* outlines the actions to be taken to eliminate impediments to fair housing. One recommendation of the Analysis of Impediments to Fair Housing (AI) is to continue the regional transportation process. The *Consolidated Plan* has a goal that combines housing opportunities with public and social services. As part of this goal, the City has committed that 30 percent of all development projects that receive HUD funding will be within a 10-minute walk of public transportation each year. Grant applications for 2005 were evaluated for this goal, especially since transportation was named as the number one non-housing development need in Marion County through the citizen input process in the spring of 2004.

Monitoring

In 2003, the City of Indianapolis created a new position to monitor all HOME rental projects beyond the completion of rehabilitation or construction. The staff person in this position is responsible for three areas of monitoring: 1) Physical inspections, 2) Tenant file monitoring and 3) Rental re-certification. During the physical inspection, it is the duty of the new position to ensure that rental units are safe and sanitary for all tenants. Tenant file monitoring includes reviewing files to make certain owners are in compliance with fair housing and equal opportunity housing laws. Rental re-certification monitoring is essential to the HOME program. This is how the City guarantees that HOME-funded projects are in compliance with the program's affordability period and other regulations.

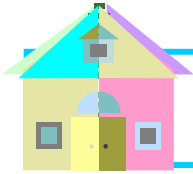
In 2004, all HOME-funded projects underwent tenant file monitoring and the rental re-certification processes. It became evident that the City needed additional assistance with the physical inspection component of the monitoring efforts. In 2004, the City released a request for proposals from qualified inspection service firms to perform the required physical inspections of HOME-assisted units. A firm has been selected to complete all required inspections. It is anticipated that all HOME-funded projects will be inspected in 2005 and all required inspections will be completed thereafter.

In addition to monitoring HOME projects after completion, the City performed annual monitoring of all organizations that received federal funding (CDBG, HOME, ESG and HOPWA) in 2004. Annual monitoring is conducted to allow the Division of Community Development staff the opportunity to become better acquainted with programs through interviewing the Executive Director of the program and interacting with program staff. Project sponsors are monitored to confirm that their particular program or project is operating within the guidelines of its contractual agreement with the City. This agreement instructs that the program meets production goals, complies with all federal grant regulations regarding implementation for and administration of the program, uses funds in a timely manner and engages in eligible activities.

Enhancing Coordination

City staff has worked hard to coordinate monitoring visits for project sponsors receiving grants from more than one funding source. By working together, the City has minimized the intrusiveness of monitoring visits and has been able to save time of both the project sponsor and City staff.

As mentioned in a previous section, the *Consolidated Plan* calls for combining human and social services with permanent housing. The City has partnered with the Indianapolis Private Industry Council (IPIC) to provide employment training to 42 chronically homeless individuals. As part of a joint venture between the Department of Housing and Urban Development (HUD) and the Department of Labor (DOL), the City is procuring for housing for chronically homeless. The goal of the five-year program, of which the City is in its first year, is to help clients achieve self-sufficiency. Through housing counseling provided by the Homeless Initiative Program, employment training and the provision of permanent housing, clients will gradually gain independence and learn to live in a mixed income environment again.



Lead Based Paint Hazard

As part of its continuing efforts to deal with hazards resulting from lead-based paint in low-income housing, the City and its partners took three new steps in its Lead Hazard Control program in 2004.

Involvement of more and divergent partners

The City, along with the Marion County Health Department (MCHD), have contacted two new agencies to help bring efforts back into line with Lead Hazard Control Grant (LHCG) timelines, Riley Area Development Corporation and Community Action of Greater Indianapolis (CAGI).

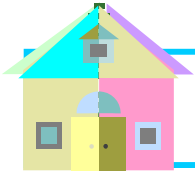
MCHD has been working closely with Riley, one of the city's strongest CDCs. Because it is no longer in a poverty census tract, the Riley service area has become largely ineligible for participation in funding programs that target low-income residents. As such, Riley has expanded its efforts into the Indianapolis Enterprise Community to do homeowner repair work with CDBG funds. Prospecting for potential projects that fit the standards of the LHCG program has begun and it is hoped that Riley will soon be able to request funding to work on a specific number of units in this area. Secondly, the City has been in discussions with Community Action of Greater Indianapolis (CAGI). A multi-service organization serving all of Marion County, CAGI performs a wide array of activities that are in direct relation to LHCG program needs. The organization has its own licensed risk assessors as well as existing benchmarks to address more than 300 units per year. It is hoped that by working with both these organizations, the City can quickly come back on line with set timelines for production.

Approaching rental landlords

The City and MCHD are actively searching for existing multi-family rental properties that, while they are not code compliant, could be good candidates for LHCG dollars. Several such locations have been tapped and it is hoped that by working with rental landlords the program would impact a larger number of units at a relatively lower per-unit cost.

Weatherization

Part of CAGI's activity base is a large and very successful weatherization program. Any time a household requests any kind of energy assistance in Indianapolis, CAGI is notified. This triggers outreach efforts that include assessments of energy, weatherization and environmental health issues in the unit. Part of this inspection includes paint evaluation and if necessary, a risk assessment. CAGI self reports that they can do as many as 500 such procedures a year. These are usually low-cost procedures that impact a large number of units. It is hoped that by working with CAGI to perform these activities the City will see a positive impact on its lead hazard control efforts.



Leveraging Resources

In fiscal year 2004, the City of Indianapolis partnered with numerous community organizations to fund affordable housing, homelessness prevention and supportive service projects. As a funding agency, the City tries to fill funding “gaps” in the projects of applicants rather than provide the majority of funding. This policy has allowed for City to maximize the amount of housing and services provided through grant dollars received from the U.S. Department of Housing and Urban Development (HUD).

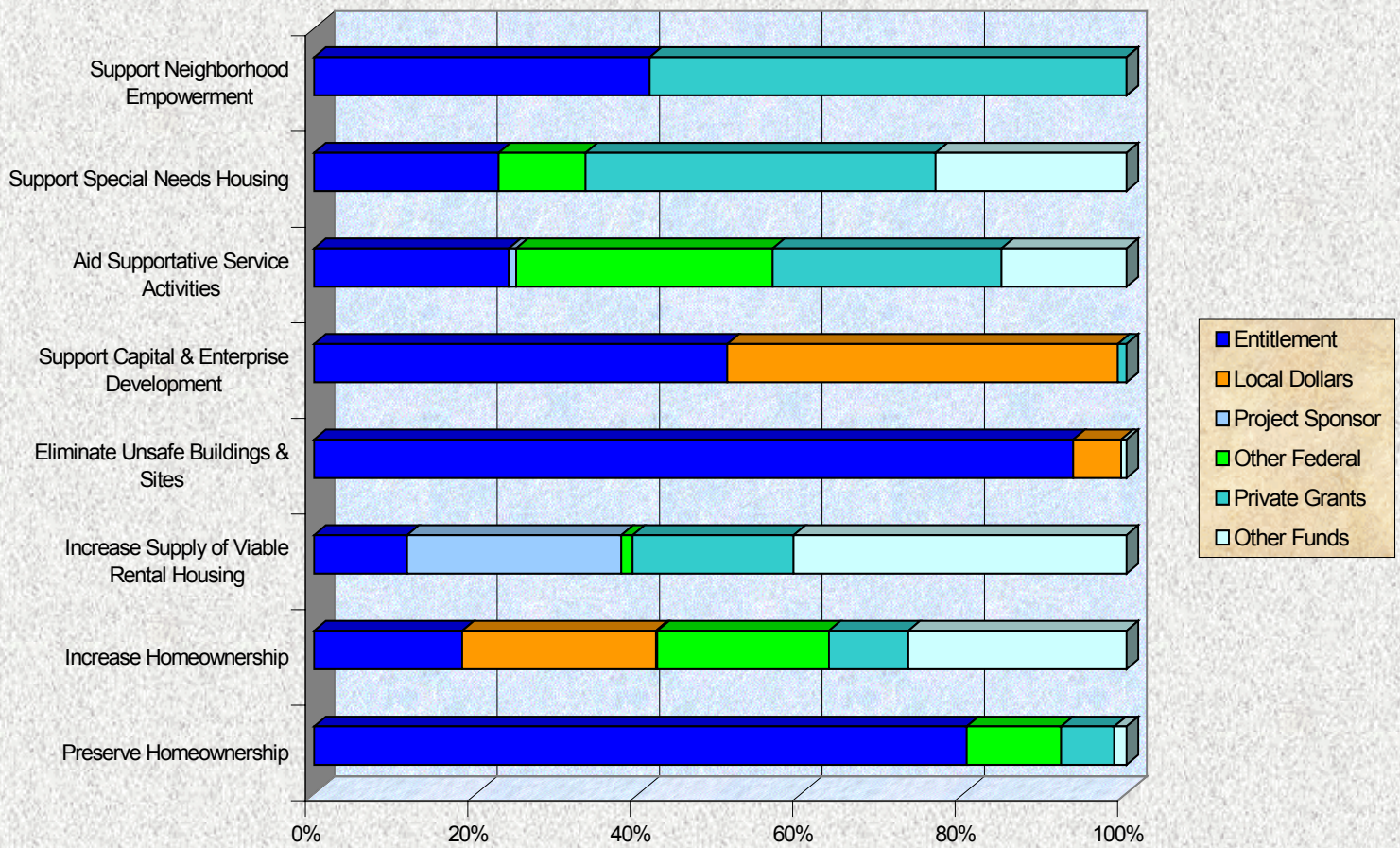
Half of the affordable rental housing projects funded by the HOME program in 2004 (Colonial Park Apartments, Walnut Ridge Apartments and Northampton Village) received Low Income Housing Tax Credits (LIHTC) through the Indiana Housing Finance Authority. Colonial Park will produce 106 units of affordable rental housing for persons at or below 30 percent area median income (AMI). Walnut Ridge will produce 74 affordable units, including 17 HOME assisted units for families at or below 40 percent AMI and Northampton Village will contain 80 affordable units. Specifically, the projects will create 19 units for families at or below 40 percent AMI, 46 units for families at or below 50 percent AMI and 15 HOME assisted units for families at or below 60 percent AMI.

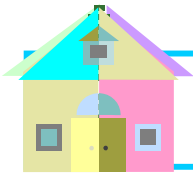
The United Way of Central Indiana administers Federal Emergency Management Agency (FEMA) funds from the federal government. These dollars along with those from the State of Indiana Emergency Shelter are leveraged against the City’s Emergency Shelter Grant (ESG) to provide meals, other food needs, rent or mortgage assistance and utility payment assistance to emergency housing organizations. By blending funding, homeless service providers are better able to meet the needs of their clients while also offering a variety of essential services.

In addition, the City matches Community Development Block Grant (CDBG) dollars with community partners to enrich the lives of young people. Programs sponsored by organizations like the Indianapolis Foundation, the Lilly Endowment, the Annie E. Casey Fund, the Clowes Fund, the Chrystal Dehann Fund and the Nina Mason Pullium Charitable Trust provide summer activities to youth up to age 18 with that include employment training and educational programs.

While these partnerships are significant, the City’s fiscal partners include more than those mentioned above. Many project sponsors utilize funds from other organizations, including their own. The chart on the following page shows the amount of funding from other sources used in collaboration with City grants to realize the goals named in the *2000-2004 Consolidated Plan*.

2004 Leveraging Sources





Special Urban Initiatives

Fall Creek Place

Both CDBG and HOME funds were combined to increase homeownership opportunities for low and moderate-income persons in 2004. In continuing the City's support of the Fall Creek Place project (FCP), CDBG funds assisted with various closeout activities such as project management contracts and homebuyer assistance. In 2004, this project helped 83 new homeowners realize the "American Dream." Thirty-four of these were market rate homebuyers while 49 had household incomes below 80 percent of the area median family income. There are now 14 homes left to build for the project to meet its goal of 300.

Fall Creek Place was a special feature in a program for the National League of Cities annual conference in 2004. Indianapolis was host to the convention for the first time in 20 years. Attendees were given a formal presentation on the project, led on a bus tour around the neighborhood and walked through four completed homes.

Fostering Commercial Urban Strategies (FOCUS)

An innovative partnership between the Local Initiatives Support Corporation (LISC), the Indianapolis Chamber of Commerce, the Indianapolis Coalition for Neighborhood Development (ICND) and the City of Indianapolis, the FOCUS program is geared to jumpstart commercial revitalization in declining core urban neighborhoods. With the combination of leaders from all facets of development, lending and public agencies, the over-arching goal of the program is to change the systemic approach to commercial development in these neighborhoods. FOCUS will work towards five main goals, targeting two neighborhoods as a pilot program.

FOCUS Goals

- Goal 1: Develop new ways to market urban areas.
- Goal 2: Increase active commercial development and investment in core neighborhoods.
- Goal 3: Further develop neighborhood expertise and capacity.
- Goal 4: Work to alleviate existing barriers.
- Goal 5: Build sustainability and working models.

In 2004, the City invested \$100,000 in CDBG funds to improve the exterior façades of commercial buildings in these areas. This was the first year of this partnership, using local tax dollars with CDBG funds. The program faced many new challenges such as Davis-Bacon wages, targeting specific neighborhoods and bad weather delaying construction. Despite these barriers, 16 businesses in low/moderate-income areas received assistance, beginning the revitalization of traditionally neglected business corridors.

Vacant and Abandoned Homes

An abandoned home is defined by the Mayor's Vacant Home Initiative as "a chronically vacant home whose owner has not taken the necessary steps to bring the home on the market or a home whose owner has neglected minimum financial, functional and physical upkeep." Vacant homes are unoccupied, which can be a temporary result of normal turnover or for an extended period of time. As part of this initiative, a survey of vacant and abandoned homes in Indianapolis was taken during the summer of 2003. The following information was collected regarding each structure:

1. The number of dwelling units (usually one or two) per building.
2. The status of the building's vacancy.
3. A rating on the condition of the building, from good ("A" rating) to poor ("E" rating).
4. The condition of the site surrounding the building.
5. A digital photograph of the building façade.

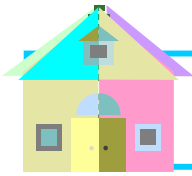
The survey identified 7,913 vacant residential structures in Marion County containing approximately 9,013 vacant units. 88.9 percent of all vacant and boarded buildings are located in areas served by community development corporations. The majority of the buildings were given a "C" rating or found to be in fair or average condition. A few buildings received an "A" rating or were in good condition.

In December 2003, the City announced the Mayor's Abandoned House Work Group. The group's mission is to discuss the problems of residential property abandonment in Indianapolis and recommend tangible changes. In 2004, the team released two reports, the first giving highlights of positive efforts and ideas for improvement and the second calling for comprehensive neighborhood and community revitalization efforts that involve affordable housing developments, commercial development, provision of services and provision of infrastructure. The next task for the group is to establish a framework of comprehensive change and give ideas for possible funding sources to meet the needs of that framework.

Neighborhood Revitalization Strategy Area

The City of Indianapolis, with HUD's approval, formed a Neighborhood Revitalization Strategy Area (NRSA) in 1996. Chosen by selecting qualified census tracts that met a defined set of criteria established by HUD, that area was expanded in 1999. This designation helps to marshal resources to facilitate the City's ability to engage in comprehensive community revitalization. The table on the following page contains goals and benchmarks set in 2004 to be accomplished within the NRSA.

Goal	Strategies	2004 Benchmarks	2004 Achievements
Preserve Homeownership	<ul style="list-style-type: none"> Rehabilitate owner-occupied homes 	65 units repaired	119 units repaired
Increase Homeownership	<ul style="list-style-type: none"> Acquire and rehabilitate units for sale Create new units for sale Provide direct homeownership assistance 	2 units rehabilitated 100 units created 50 homebuyers assisted	116 units rehabilitated 88 units created 28 homebuyers assisted
Increase the supply of viable rental housing	<ul style="list-style-type: none"> Rehabilitate multi-family rental housing Provide gap financing for low-income housing tax credit projects 	100 rental units	122 rental units
Eliminate unsafe buildings and sites	<ul style="list-style-type: none"> Improve, demolish and/or secure unsafe buildings 	1,000 buildings addressed	1,519 buildings addressed
Support capital and enterprise development	<ul style="list-style-type: none"> Support economic development initiatives 	75 jobs created	19 jobs created
Aid supportive services activities	<ul style="list-style-type: none"> Assist organizations providing senior, youth, employment and other supportive services 	3,000 people served	3,923 people served



Community Development Block Grant

The City of Indianapolis' *2000-2004 Consolidated Plan* identifies two specific areas for directing the course of CDBG activities: building strong neighborhoods and creating family self-sufficiency. Within these two areas, nine goals were established.

Preserve Homeownership

The preservation of homeownership and the creation of strong neighborhoods go hand in hand with the City's commitment to rehabilitate owner-occupied homes. Indianapolis residents have identified homeowner repair as a top priority to help facilitate the rehabilitation strategy. The *2004 Annual Action Plan* set a goal to rehabilitate 250 owner-occupied units. In all, 377 units were actually completed. The *2000-2004 Consolidated Plan* sets forth the benchmark of having repaired 2,020 owner-occupied rehabilitation projects at the end of the five years. The City has achieved that goal by 102 percent, completing 2,063 units.

In 2004, Westside Community Development Corporation (WCDC) partnered with the Group Works Foundation to provide repairs to homes within the WCDC neighborhood. A total of 364 volunteers, ages 13 to 18, worked on homes in need of minor repairs, such as painting, or small scale carpentry and plumbing. A certified contractor was on-site to supervise work and ensure that all codes were followed. CDBG dollars were used to offset half of the project's supply costs and ensure that contractors followed lead-safe work practices in issues concerning lead-based paint hazards.

This year CDBG funds also leveraged other forms of dollars. Two organizations funded homeowner repairs through local tax increment funds and recovered liens from previous owner-occupied rehabilitation projects. A total of 21 homeowners were assisted from these additional dollars. Other community development organizations that traditionally fund their projects through CDBG are following in the footsteps of these pioneers. By offering a zero percent interest recoverable lien at the time of property transfer for the cost of the repairs, these organizations will be able to assist other homeowners with program income, same as their colleagues.

Increase Homeownership

Increasing homeownership helps to stabilize and improve neighborhoods while encouraging redevelopment. Both CDBG and HOME funds were combined to increase homeownership opportunities for low and moderate-income persons in 2004. In continuing its support of the Fall Creek Place project, CDBG dollars also assisted with various closeout activities such as project management contracts and homebuyer assistance. The project this year helped 83 new homeowners realize the "American Dream."

Because of the success of the Fall Creek Place, the City has begun to implement this type of strategic redevelopment in other areas. CDBG funds also helped to leverage funding from the state to work on a neighborhood plan. The program, Improving Neighborhoods Through Revitalization (INTR), has helped the City determine which

approach should be taken to help previously neglected neighborhoods become strong again. Strategies include new homeownership development and social services for homeowners. CDBG and HOME funds will be used to provide homeownership assistance, as in Fall Creek Place, to help re-build the neighborhood in coming years.

Increase Supply of Rental Housing for 51-80% of MFI

The City utilizes both CDBG and HOME funds to accomplish the goal to increase the supply of rental housing. The blending of grant funds allows the City to focus its resources towards the most appropriate areas of the community while remaining in compliance with federal regulations.

The Westside Indianapolis Development Corporation (WIDC) once again spearheaded an innovative rental rehabilitation project using CDBG funds in 2004. Now in its fifth year, the program utilizes CDBG funding to provide matching grants to landlords seeking to improve rental properties. The organization has successfully allocated \$32,500 of CDBG funding on rental repairs. With the matching funds, a total of \$74,086 was invested in the internal and external improvement of rental properties on the Indianapolis Westside.

Eliminate Unsafe Buildings and Sites

The City of Indianapolis invested \$1,843,197 to address unsafe buildings in 2004. CDBG funds make up \$1,730,342 of that total. The remainder was leveraged from local tax dollars. As a result, the City was able to board 2,061 vacant and unsafe structures and demolish another 216. The program also required non-compliant property owners to board (556), demolish (305) and repair (953) even more vacant and unsafe structures. With help from property owners and the Marion County Health and Hospital Corporation, the City was able to address a total of 4,091 buildings.

In 2004, the City began to include the cost of boarding and demolitions on property tax assessments in order to influence more owners to pay for the completion of these activities. This process has been successful in increasing the number of collections for costs incurred by the City. In fact, the amount of program income collected from the fines on tax assessments increased by 47 percent to an annual total of \$266,613. The City will begin to include the cost all building boarding and demolitions on assessments in 2005. Once the amount of return begins to grow, it is the City's hope that the Unsafe Buildings Program will become self-sustaining.

Support Capital and Enterprise Development

The City's major project to reach its goal of supporting capital and enterprise development is the Keystone Enterprise Park (KEP). The KEP project consists of the acquisition and clearance of 86 acres of land on the City's Eastside. The project is poised to improve the area economic and business climates while also creating 900 new area jobs.

As of the close of 2004, four acres of land had been sold to new businesses, creating five new jobs. The City is currently working with other companies interested in the area. The City anticipates selling an additional 20 acres in the coming year.

Support Neighborhood Empowerment

In 2004, \$50,000 of CDBG funds was expended to provide capacity building assistance to neighborhood organizations. This strategy was outlined in the City's *Consolidated Plan*. The Indianapolis Neighborhood Resource Center (INRC) utilized the funds to improve the capacity of neighborhood organizations by conducting workshops and training sessions designed to increase the productivity of non-profit and neighborhood organizations. As a result, 1,703 people representing Indianapolis-area organizations benefited from these programs.

Aid Supportive Service Activities

CDBG funds totaling \$1,526,921 were expended on supportive service activities in 2004. Consequently, 11,400 persons received services. The City, along with twelve other organizations, including the Indianapolis Foundation and the Lilly Endowment, provided grants to fund summer programs for young people ages 4 to 19. Overall, 124 organizations offering 151 programs received grants totaling \$1,785,450. The City contributed approximately \$104,000 of CDBG funding to ten organizations. As a result, 724 youth benefited from services.

Youth living in shelters were also beneficiaries of CDBG funding in 2004. School on Wheels provided 333 youth with tutoring services. The organization, with help from its many volunteers, provided over 2,000 one-hour sessions to youth living in shelters. The program had a 90 percent success rate in the improvement of grades and the completion of homework.

CDBG funds also supported CICOA's employment program for seniors, with 21 trainees able to successfully obtain employment. Keys to Work, an employment and training provider specializing in hard to employ individuals, placed 34 clients in high paying positions ranging from \$7.25 to \$11.85 an hour and achieved a 44 percent retention rate. The Community Centers of Indianapolis (CCI), an umbrella organization of 13 social service centers, disbanded in 2004. Yet despite changes in the administration of their contracts, the centers were able to provide services including youth programs, job training, case management and senior services to 7,283 people.

The City also supported an entrepreneurial program for low to moderate-income individuals. As a result of the CDBG support for the program, eight small businesses opened. Merchants were given the "how-to" basics of running a business and were required to complete a plan for business development.

Support Special Needs Housing

CDBG dollars provided operating funds for a number of Indianapolis-area special needs housing centers and shelters. Coburn Place, a 35-unit facility which houses victims of domestic violence and their children, received \$142,100 of CDBG funds in 2004.

One local emergency shelter, The Dayspring Center, received \$19,610 in CDBG public service funding for the operation of their transitional housing facility, Wellspring. As a result of their efforts, The Dayspring Center and Coburn Place were able to serve 116 members of the special needs community.

Increase the Supply of Rental Housing for the 0-50% of MFI

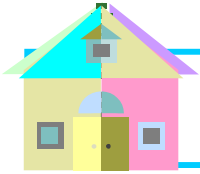
During the 2003 program year, the City did not fund a program that targeted an increase of the rental housing supply for 0-50 percent median family income residents with CDBG funds. The West Indianapolis Development Corporation's (WIDC) rental program, which does not directly target this population, provides a dollar per dollar match for the creation of single family rental housing. Seven of the 14 units completed under this project were rented to families in the 0-30 percent income range.

Relationship of CDBG funds to the Annual Action Plan

Each year the City must submit an *Annual Action Plan* to HUD that details the steps that will be undertaken that year to address the goals of the *Consolidated Plan*. Throughout the year, a number of changes were made to anticipated CDBG allocations outlined in the *Annual Action Plan*. Additional dollars from prior year carry over or projects that did not move forward were reallocated to other projects requesting funding. The chart on the next page illustrates the changes made and offers an explanation for any adjustments.

Revised 2004 CDBG Activities

Organization	Project	Original Budget	Revised Budget	Change	Explanation
BOS Community Development Corporation	Preserve Homeownership	\$162,500	\$262,500	\$100,000	Awarded 8 additional home repair units.
CICOA: The Access Network	Preserve Homeownership	\$125,000	\$0	(\$125,000)	Returned funds due to administrative burden.
Community Action of Greater Indianapolis	Preserve Homeownership	\$275,000	\$447,000	\$202,000	Awarded 13 additional home repair units.
Fall Creek Place	Increase Homeownership	\$593,000	\$1,517,750	\$924,750	Additional funds to project running ahead of planned timeline.
Indianapolis Housing Agency	Aid Supportive Services	\$99,200	\$99,200	\$0	Half the dollars also funded fair housing activities.
Keystone Enterprise Park	Support Capital Enterprise Development	\$1,412,787	\$1,324,752	(\$88,035)	Reduced the amount of funding needed in 2004.
Mapleton Fall Creek Development Corporation	Preserve Homeownership	\$125,000	\$225,000	\$100,000	Awarded 8 additional home repair units.
Martindale-Brightwood Community Development Corporation	Increase Homeownership	\$0	\$140,000	\$140,000	Provide down payment assistance to first time homebuyers in the Martindale on the Monon project.
Parkwoods	Relocation	\$0	\$255,122	\$255,122	City utilized funds to relocate non-Section 8 voucher holders.
Riley Area Development Corporation	Preserve Homeownership	\$75,000	\$50,000	(\$25,000)	Reduced award by 2 home repair units in the downtown area.
Riley Area Development Corporation	Preserve Homeownership	\$211,250	\$311,250	\$100,000	Awarded 8 additional home repair units for the near eastside.
Summer Youth Programs	Youth Services	\$100,000	\$104,000	\$4,000	Awarded funds for additional summer youth programs.
Westside Community Development Corporation	Preserve Homeownership	\$264,000	\$276,000	\$12,000	Awarded 1 additional home repair unit.



HOME Investment Partnerships Program

The *2000-2004 Consolidated Plan* identified three housing priorities for the City of Indianapolis: Preservation of Homeownership; Increased Affordable Homeownership; and Increased Supply of Affordable Rental Housing. In 2004, HOME funds were used to increase homeownership opportunities by providing closing costs and down payment assistance throughout Marion County. Increased homeownership was accomplished through new construction and the rehabilitation of existing affordable housing. Lastly, HOME funds were utilized to increase the availability and quality of affordable rental housing throughout the community.

The City allocated approximately \$3.1 million of HOME funds for the construction and rehabilitation of six affordable rental housing projects totaling 115 affordable rental units. Three of these projects, Colonial Park Apartments, Walnut Ridge Apartments and Northampton Village, are supported by Low Income Housing Tax Credits (LIHTC) awarded in 2003 and 2004.

- Colonial Park has produced seven out of the 106 units to be rehabilitated by project end. One hundred percent of these units are for persons at or below 30 percent area median income (AMI).
- Walnut Ridge will produce 74 affordable units, including 17 HOME assisted units for families at or below 40 percent AMI.
- Northampton Village has produced 80 affordable rental housing units.

Specifically, the projects will create 19 units for families at or below 40 percent area median income, 46 units for families at or below 50 percent AMI, and 15 HOME assisted units for families at or below 60 percent AMI.

Other rental projects successfully completed in 2004 include eight single room occupancy units for persons with disabilities (30 percent AMI) by Independent Residential Development and eight units for persons 31-50 percent AMI by Near North Development Corporation. The City also helped subsidize the rehabilitation and construction of eight rental units for the West Indianapolis Development Corporation's (WIDC) youth transitioning out of foster care program. Four of these units are for youth at or below 50 percent AMI and four are for youth 51-80 percent AMI. Turner Housing Association has also successfully completed four units (at or below 30 percent AMI) for youth transitioning out of foster care.

The City of Indianapolis also committed funding to the substantial rehabilitation of Amber Woods Apartments (Parc Chateau Coop.) in 2004. The project will produce 214 HOME assisted units for families at or below 80 percent AMI. The City also began relocating tenants of the Parkwood Apartments in late 2004. Relocation and demolition are almost complete and reconstruction is underway.

With its partner, the Indianapolis Housing Agency, the City is working to redevelop a former public housing project, Broken Burr. The redevelopment will be phased over three years and will produce mixed income rental housing, homeownership opportunities and commercial development.

Homeownership

Approximately \$2.4 million of HOME funding was used to provide 196 homeownership opportunities in 2004. Activities included homebuyer assistance in the form of down payment and closing costs, development costs for new construction and rehabilitation of existing units for sale.

In 2004 a total of 50 units were constructed or rehabilitated by a total of 12 local Community Development Corporations.

In 2004, 59 families at or below 80 percent AMI were assisted through down payment and closing cost assistance, grants, loans and homeownership training. Homebuyer subsidies are generally provided by the Indianapolis Neighborhood Housing Partnership (INHP). Recipients of subsidies from INHP, many of which were first time homebuyers, were required to participate in the organization's Home Ownership Training (HOT) course.

Affirmative Marketing

The HOME program requires that affirmative marketing steps are taken by participating jurisdictions when using HOME funds for rental or homebuyer projects containing five or more HOME-assisted units. Affirmative marketing steps consist of actions to provide information and attract eligible persons in the housing market to available housing without regard to race, color, national origin, sex, religion, familial status or disability.

Methods for informing the public, owners and potential tenants about federal fair housing laws and the participating jurisdiction's affirmative marketing policies consist of several activities. This includes the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations, commercial media, community contacts and the display of fair housing posters in public areas of offices. In addition, affirmative marketing requires that applications be solicited from persons in the housing market area who are not likely to apply for the housing without special outreach. The use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies are recommended ways to reach these groups.

In 2004, project sponsors were given a copy of the Grant Management Policies and Procedures. The policies provide ways of meeting the goals of affirmative marketing, as well as the federal regulations required by HOME. The requirements were included in all HOME agreements and therefore contractually binding. Ten contracts fell within the affirmative marketing threshold in 2004. Of those projects, four were completed during the calendar year. The remaining six are at different stages of the development process and were extended into 2005. Affirmative marketing will continue to be monitored on those projects into 2005 and beyond. Documentation detailing actions taken to meet the requirements will be turned in at project completion.

The City monitors all project sponsors annually. One aspect of the monitoring visit is to determine if the sponsor is in compliance with the affirmative marketing requirements. The City requests copies of housing advertisements or marketing material from project sponsor's that include the equal housing opportunity logo or slogan. In addition, the City

verifies that fair housing posters are displayed publicly within the sponsor's office. The project sponsor is also required to provide a description of what actions are taken to affirmatively market HOME-assisted housing if the number of units exceeds five.

Inspections

In 2004, the City sent request for qualifications (RFQs) to 11 contractors. Five responses were received and three applicants were invited for interviews. Of those three, two agreed to the interview process. The City ultimately selected Criterium – Van Marter to complete physical inspections of HOME rental units through out the period of affordability. In 2005, 270 units are scheduled for inspection.

Minority Outreach

The City encourages that efforts are made to utilize minority and women-owned businesses in all contracts entered that facilitate affordable housing activities. This minority outreach program ensures the inclusion, to the maximum extent possible, of woman and minorities. The following chart depicts the contract and subcontract amounts awarded to minority (MBE) and women business enterprises (WBE) in 2004.

Type of Contract	Total Dollar Amount	Amount to MBE	Amount to WBE	Percent of Total to MBE/WBE
Contract	2,035,471	439,960	32,000	23%
Subcontract	430,559	68,580	1,700	16%

The HOME program's goal of improving the utilization of minority and women-owned businesses for purchases, consulting services, construction and economic development projects has been successful, however, the objective to make Indianapolis a city where all people have an equal opportunity to participate in business activities continues to be a focus. HOME promotes minority and women-owned business participation through the following activities:

- All HOME project agreements stipulate that project sponsors shall use its best efforts to use minority businesses as defined by and in compliance with the City-County General Ordinance No. 125.
- HOME project sponsors are referred to the Office of Equal Opportunity for lists of MBE/WBE firms for contact and recruitment.
- The City's Office of Equal Opportunity conducts outreach activities to ensure that minority and women-owned businesses are aware of the availability of funds.

The City continues to improve its efforts in regards to minority and women-owned business outreach. The utilization of MBE/WBE was emphasized during the project sponsor training held in January 2004 and will be monitored closely during the year. This new reporting system will enable project sponsors to provide more accurate and timely reporting of minority outreach efforts.

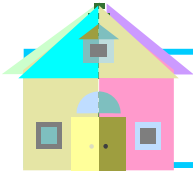
Tenant-Based Rental Assistance

The *2000-2004 Consolidated Plan* states, as part of its anti-poverty and homeless strategy, that the needs of the homeless and at risk populations attempting to achieve self-sufficiency may be served by providing additional affordable rental opportunities. In 2001, the City of Indianapolis entered into an agreement with the Coalition for Homelessness Intervention and Prevention (CHIP) to provide \$500,000 for Tenant Based Rental Assistance (TBRA) to families at or below 30 percent AMI.

The Coalition for Homelessness Intervention & Prevention (CHIP) administers the Tenant Based Rental Assistance (TBRA) Program and distributes funds to Contracting Agencies (CAs) who write rent checks and provide a range of support services. With this program, low-income households on the verge of homelessness (0-30 percent MFI) receive rental assistance for a period of twelve months. A one-time renewal is possible based upon income and participation in a self-sufficiency program. The self-sufficiency program involves developing a plan that builds upon an individual's strengths by coordinating supports such as case management, skill enhancement, continuing education, employment services, childcare and mentoring programs. Program participants must comply with all aspects of the plan in order to continue receiving TBRA assistance.

CHIP and their CAs have experienced some challenges in implementing and sustaining this program. The two primary barriers to running the program are finding suitable families to participate and a lack of time by CA staff to process applications due to excessive paperwork requirements.

CHIP's goal was to reach full enrollment (50 clients) by December 31, 2003. To date 44 participants have enrolled. Twenty-two households are currently participating. CHIP has graduated three households from the program who have attained self-sufficiency. Of the current enrollments, nine are receiving subsidy for their first year in the program and 13 have been re-certified and are completing their second year. It is anticipated that these individuals will be self-sufficient by December 2005.



Self Evaluation

Each year the City of Indianapolis reviews its past year's accomplishments to plan improvements for the upcoming year. The 2004 evaluation process began early in the year when funding recommendations were made for 2005. The City reviewed the progress made by project sponsors and tried to find new ways to direct funding so that current projects could be completed without other distractions and future projects could better address the needs of the community.

Increase Homeownership

The City has set a five-year goal to increase homeownership by 700 units. With the help of the Fall Creek Place development, this goal was greatly exceeded by the end of 2004. However, the City saw a shortfall in the area of direct assistance for homeownership for low-income families in 2004. It is expected that in 2005, with the help of the American Dream Down-payment Initiative (ADDI), this deficit can be addressed.

Low-Income Rental Housing

Over the past five years, the City has invested millions of dollars in low-income rental development projects. Many large projects, such as Parkwoods, Broken Burr, Amber Woods and Colonial Park, began in 2004 and will be completed in future years. Even though funds were awarded to these rental projects during the period covered by the *2000-2004 Consolidated Plan*, the units will be completed and counted towards the *2005-2009 Consolidated Plan* goals.

With the City falling short of its rental housing goal, combined with the Mayor's endorsement of the *Blueprint to End Homelessness*, new goals to create rental housing for persons at or below 30 percent of the area median family income have been set in the *2005-2009 Consolidated Plan*. An example of early efforts to address this group is the HUD/DOL pilot program to house 42 formerly homeless.

Housing for persons at or below 30 percent of the area median family income is expensive to develop and maintain. The City will utilize a combination of funding sources to assist with the feasibility of these projects in order to reach its goals. The City is committed to the goals set forth in the *Consolidated Plan* and will work diligently to meet them.

Conclusion

Efforts to maximize the benefits of federal funding to Indianapolis residents continue to increase. It is expected that by further refining and focusing on new goals and strategies, the City can make real and meaningful impact in the areas of increasing homeownership and the supply of rental housing for those with the greatest need in 2005.